

by the gentleman from Maine [Mr. LONGLEY].

The amendment was agreed to.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 390

Mr. BARRETT of Wisconsin. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 390.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CONFERENCE REPORT ON S. 895, SMALL BUSINESS LENDING EN- HANCEMENT ACT OF 1995

Mrs. MEYERS of Kansas. Mr. Speaker, I ask unanimous consent that it be in order to immediately consider the conference report to accompany the Senate bill (S.895) to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the administration, and for other purposes, that the conference report be considered as read, and that debate thereon be limited to 10 minutes, equally divided and controlled by the gentleman from Missouri [Mr. SKELTON] and myself.

The SPEAKER pro tempore (Mr. EVERETT). Is there objection to the request of the gentlewoman from Kansas?

There was no objection.

Mrs. MEYERS of Kansas. Mr. Speaker, pursuant to the unanimous consent request just agreed to, I call up the conference report on the Senate bill (S.895) to amend the Small Business Act to reduce the level of participation by the Small Business Administration in certain loans guaranteed by the administration, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Pursuant to the unanimous-consent request, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Thursday, September 28, 1995, at page H9638.)

The SPEAKER pro tempore. Pursuant to the unanimous consent request, the gentlewoman from Kansas [Mrs. MEYERS] will be recognized for 5 minutes, and the gentleman from Missouri [Mr. SKELTON] will be recognized for 5 minutes.

The Chair recognizes the gentlewoman from Kansas [Mrs. MEYERS].

Mrs. MEYERS of Kansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on S. 895, the Small Business Lending Enhancement Act of

1995. This report reflects a strong bipartisan effort to strengthen and reduce the cost of two of the Small Business Administration's most important lending programs, the 7(a) Guaranteed Loan Program and the 504 Certified Development Company Program. All of the conferees, and indeed, all of the Small Business Committee members in both Chambers recognized that we were faced with a difficult balancing act. The task we faced was to meet the mandate of reducing the cost of these vital programs without unduly penalizing the small business borrower. Not only have we accomplished this task, through a modest increase in fees, but we will be able to assist more small businesses with their capital needs with significantly fewer appropriated dollars.

In the case of the 7(a) program, we have reduced its subsidy cost from \$2.74 per hundred dollars of loan guaranteed down to \$1.06, a reduction of approximately 60 percent. We have spilt the increase costs between the lender and the borrower. In addition, we have reduced the Government's risk by limiting the guarantee percentage to a maximum of 75 percent for loans over \$100,000, and a maximum of 80 percent for loans under \$100,000. Private lending institutions will share a greater portion of the risk, insuring sound underwriting standards.

Turning to the 504 Certified Development Company Program, which provides funding for real estate and capital asset acquisition—our bricks-and-mortar lending program, we have made it entirely self-funding through the imposition of a one-eighth of a point interest rate increase. With a zero subsidy rate, no appropriated dollars will be required to operate this program.

In addition, the conferees agreed to accept a provision from the Senate bill to extend the Preferred Surety Bond Guarantee Program. This program, which would expire at the end of this fiscal year without an extension, provides expedited service for small business contractors who need bonding to get contracts, and I am pleased that we are able to continue this much-needed program.

While I don't intend to make lengthy remarks about legislation that is a model of bipartisan cooperation and so devoid of controversy, I would like to address an issue that was discussed at some length in our committee markup, but which was absent from both House and Senate bills. This issue is whether or not we should carve out an exception to the 75- and 80-percent guarantee levels for small business loans, and retain a 90-percent guarantee for the Export Working Capital Loan. I feel strongly, as I believe others in the House and in the other body feel, that a 90-percent guarantee is imprudent.

The Small Business Administration and our committee's distinguished ranking member, Mr. LAFALCE, argued that the SBA's Export Working Capital Loan Program had been harmonized with Ex-Im bank's program both carry-

ing 90-percent Government guarantees, and that changing SBA's guarantee would cause great harm to these harmonization efforts. A majority of both the House and Senate Small Business Committee members did not agree, and no provision keeping the 90-percent guarantee was included either S. 895 or H.R. 2150, making it a nonconference item. However, in recognition of the fact that the guarantee rate for the SBA's export working capital loans will now be lower than Ex-Im's, the conferees have called for a study of the impact of the lower guarantee rate on small businesses in the export market. This study should help us assess whether or not the 90-percent guarantee is vital to these loans, or whether Ex-Im should consider bringing their guarantee rates in line with the SBA's, again creating a harmonized program.

Mr. Speaker, this conference report is good for small business, good for the taxpayer, and, as I previously mentioned, a model of the bipartisan cooperation that traditionally graces the work of the Small Business Committee. I would like to thank our ranking member, Mr. LAFALCE, in particular, for his efforts on this legislation, and I strongly urge the adoption of this important measure.

Mr. Speaker, I reserve the balance of my time.

Mr. SKELTON. Mr. Speaker, I yield myself such time as I may consume.

(Mr. SKELTON asked and was given permission to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, I rise in support of the conference report on S. 895, the Small Business Lending Enhancement Act of 1995.

The main purpose of this legislation is to adjust the fees and guaranty levels of two Small Business Administration loan programs—steps I reluctantly agree to in order to make the insufficient appropriation level accorded these programs go as far as possible in meeting the credit needs of the small business community. Under current fee and percentage guarantee schedules, the SBA would only be able to approve a small percentage of the loan applications it anticipates receiving in the next fiscal year, given appropriation projections.

Yes, reducing the percentage of an SBA loan which the Federal Government guarantees and raising the fees charged to the borrower and lender will lower the cost of the program to the Federal Government, but another price will be paid in the process. Smaller loans will be more expensive for the borrower and may mean that some small businesses will not be able to turn to this lender of last resort, the SBA Guaranty Program. These changes will also make the loans less profitable for lenders, which may mean that fewer of them will be willing to participate in this program and the options available to the small business person will lessen in this way also.

However, given the budget dollars we had to work with, there were no alternatives to fee increases and lower guarantees.

I am also very disappointed that, although I believe there was fairly broad and bipartisan support for it, we were not able to agree on keeping the Export Working Capital Program at a guarantee rate of 90 percent. After years of talking about the need to improve export assistance for small businesses and eliminate duplicate services, just last year the Congress approved an agreement worked out between the SBA and the Export-Import Bank wherein the SBA would guarantee export loans up to \$750,000 at 90 percent and the Ex-Im Bank guarantee larger loans at 90 percent. We have now reduced the percentage the SBA will guarantee, making the loan seem riskier to lenders, many of whom are new to export financing and already extremely cautious about getting involved. I fear that in reducing the percentage guarantee of an export loan, we are truly hurting small businesses that are trying to export—a shortsighted move in light of the importance of trade to our economy and the balance of trade figures which we regularly decry.

I am pleased the conference report contains the Senate language charging the guarantee fee on the guaranteed amount, not the gross amount of the loan. In my view, the Government is simply not entitled to charge a fee on that portion of a loan which it is not guaranteeing and on which, therefore, it has no exposure.

I am also happy that the legislation extends for 2 years the pilot Preferred Surety Bond Program. This program is desirable not only because it can be a quick and efficient means of getting funds to qualified borrowers, but also because it will inevitably be increasingly important to the SBA and small contractors that we delegate authority for program delivery to outside parties as a means of compensating for SBA personnel cutbacks.

In closing, I would like to congratulate my colleague, Chairman MEYERS, on successfully guiding her first conference report to the floor. We enjoyed a cooperative working relationship throughout the process and I stand here in support of the final product.

□ 1515

Mr. Speaker, I yield back the balance of my time.

Mrs. MEYERS of Kansas. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, I would thank the gentleman from Missouri for his support, and I do believe this had strong bipartisan support.

Mr. Speaker, I would say that I think there was concern that we could not see our way to extending the export loans guarantee at 90 percent. I think a majority of our committee on both sides felt that a 90 percent guarantee at this point in time was imprudent for

the export loans. Since the Senate bill also did not include export loans at 90 percent, it did make it a nonconferenceable item. That is why, since neither House had chosen to do that, it is not in the conference committee report.

Mr. Speaker, this conference report is good for small business, good for the taxpayer, and, as I previously mentioned, a model of the bipartisan cooperation that traditionally graces the work of the Small Business Committee.

Mr. Speaker, I would certainly like to thank our ranking member, the gentleman from New York [Mr. LAFALCE], who could not be with us today, and certainly the gentleman from Missouri [Mr. SKELTON] who is a very strong member of the committee, in particular for his efforts on this legislation.

Mr. Speaker, I strongly urge the adoption of this important measure.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 534

Mr. EMERSON. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of H.R. 534.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERSONAL EXPLANATION

Mr. WATT of North Carolina. Mr. Speaker, it has come to my attention that I was not listed as being recorded on rollcall vote No. 685 on Thursday, September 21, despite the fact that I was here and put my card in the voting machine. I ask that this fact be noted in the RECORD, and that it be indicated that had I been present and recorded, I would have voted "yes."

REQUEST TO DISCHARGE COMMITTEE ON HOUSE OVERSIGHT FROM FURTHER CONSIDERATION OF SENATE CONCURRENT RESOLUTION 21, AUTHORIZING THE RESTORATION AND PLACEMENT IN CAPITOL ROTUNDA OF "PORTRAIT MONUMENT" HONORING WOMEN'S SUFFRAGE

Ms. DUNN of Washington. Mr. Speaker, I ask unanimous consent that the Committee on House Oversight be discharged from further consideration of Senate concurrent resolution, (S. Con. Res. 21), directing that the "Portrait Monument" carved in the likeness of Lucretia Mott, Susan B. Anthony, and Elizabeth Cady Stanton, now in the Crypt of the Capitol, be restored to its original state and be placed in the Capitol Rotunda and ask for its immediate consideration in the House.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

Mrs. MYRICK. Mr. Speaker, reserving the right to object, I support the idea of doing this, because I think that is very important to what we are all trying to accomplish here. I really have no problem with that.

Mr. Speaker, I would like to suggest that what we do is look at this from an overall point of saying why can we not raise the money privately to do it, instead of spending taxpayers' dollars on it?

Mr. Speaker, I understand that there are some structural concerns, because it does weigh 13 tons, that we really have not looked into. I would like us to explore the options and I would like to volunteer that I would be happy to help raise those funds, and I do believe that it could be done privately.

Mr. PASTOR. Mr. Speaker will the gentlewoman yield?

Mrs. MYRICK. Mr. Speaker, continuing to reserve my right to object, I yield to the gentleman from Arizona.

Mr. PASTOR. Mr. Speaker, will the gentlewoman from Washington [Ms. DUNN] kindly explain the purpose of the resolution?

Ms. DUNN of Washington. Mr. Speaker, will the gentlewoman yield?

Mrs. MYRICK. Mr. Speaker, continuing to reserve my right to object, I yield to the gentlewoman from Washington.

Ms. DUNN of Washington. Mr. Speaker, I take this opportunity to tell my colleagues that this bill will authorize moving the Portrait Monument from the basement of the Capitol to the rotunda in the Capitol. This is in honor of the 75th anniversary of the passing of the 19th amendment to the Constitution which gave women the right to vote.

The bill will also authorize the celebration of the anniversary and the relocation of the monument on October 25, 1995, pursuant to the amendment that I have at the desk.

Mrs. MORELLA. Mr. Speaker, will the gentlewoman yield?

Mrs. MYRICK. Mr. Speaker, continuing to reserve my right to object, I yield to the gentlewoman from Maryland.

Mrs. MORELLA. Mr. Speaker, I feel very strongly that it is time that Elizabeth Cady Stanton, Susan B. Anthony, and Lucretia Mott be raised upstairs. They started off in the rotunda when the statue was dedicated 75 years ago.

Mr. Speaker, I would like to comment on the resolution, but before that, I would like to state that I understand what the gentlewoman from North Carolina [Mrs. MYRICK] is saying. But since this is in the very last hour of the end of the fiscal year, and this is a resolution that came from the